GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:180
ANSWERED ON:30.11.2000
REFINERIES IN JOINT SECTOR
UMMAREDDY VENKATESWARLU

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of the private sector and joint sector refineries in the oil sector that have sought permission for marketing of petroleum and diesel products;

(b) whether the Government have outlined some minimum investment criteria for oil companies to enter marketing;

(c) if so, the details thereof;

(d) whether the criteria has been fulfilled by each applicant; and

(e) if so, the reasons for delay in granting permission to them?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (e) :- A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.180 30.11.2000.

(a) to (e) :-The Government of India announced a road map for dismantling of Administered Pricing Mechanism (APM) in November, 1997. The aforesaid announcement inter alia provided for grant of marketing rights for transportation fuels viz. Motor Spirit (MS), High Speed Diesel (HSD) and Aviation Turbine Fuel (ATF) conditional on owning and operating refineries with an investment of at least Rs.2,000 crore or oil exploration and production companies producing atleast three million tonnes of crude oil annually. Full de-regulation of Petroleum Sector is targetted from 1st April, 2002 onwards.
The Government have received requests from M/s. Reliance Petroleum Limited, M/s. Essar Oil Limited and M/s Mangalore Refinery and Petrochemicals Ltd. for grant of marketing rights for trasportation fuels.
Out of these refining companies M/s. Reliance Petroleum Limitedand M/s Mangalore Refinery and Petrochemicals Ltd. generally fulfil the criteria for grant of marketing rights. Marketing rights will be granted after the APM is dismantled.
Government have already decontrolled all petroleum products except MS, HSD, ATF, LPG (Domestic) and Kerosene (PDS).